



DEPARTMENT OF THE ARMY
HEADQUARTERS, U. S. ARMY MEDICAL COMMAND
2050 WORTH ROAD, SUITE 10
FORT SAM HOUSTON, TEXAS 78234-6010

REPLY TO
ATTENTION OF

MCHO-CL-P

26 March 2003


MEMORANDUM FOR Commanders, MEDCOM Regional Medical Commands

Subject: Requirement to Identify, Document, and Update Beneficiary Insurance Information

1. Recent General Accounting Office and US Army Audit Agency audits of the Third Party Collection Program (TPCP) report that our medical treatment facilities (MTFs) are not effectively identifying beneficiaries with other health insurance (OHI). As a result, the AMEDD is foregoing the collection of millions of dollars annually that could be used to enhance and expand medical services and to enhance TPCP operations. This memorandum provides guidelines that will assist commanders to minimize this risk.
2. The TPCP, authorized by Title 10, United States Code 1095, requires MTFs to collect for inpatient and outpatient services provided to medically insured family members and retirees. This requires MTFs to identify, document, and update at least annually, OHI for all TPCP billable services.
3. To improve MTF compliance with this law, commanders are encouraged to implement the best business practices outlined in the enclosure.
4. The problem of MTFs not consistently capturing OHI is not a new issue. To eliminate this program weakness and increase recovery of reimbursable dollars, continual command emphasis is essential.
5. The MEDCOM point of contact is LTC Marta Davidson, Patient Administration Division, Office of the Assistant Chief of Staff for Health Policy and Services, DSN 471-7855.

FOR THE COMMANDER:

Encl


KENNETH L. FARMER, JR.
Major General
Chief of Staff

Best Business Practices to Identify, Document, and Update Other Health Insurance Information

The following are best business practices for effectively identifying, documenting, and updating beneficiary insurance information for billing and collecting from third party payers. The specific guidelines for implementing each of the “pearls” listed below are outlined in the “Army Uniform Business Office (UBO) Best Business Practices/Tips for Success.” This document is updated quarterly and sent electronically by Mr. Doug Ashby, Army UBO Manager, doug.ashby@amedd.army.mil, to all MTF UBO Managers and Patient Administrators.

- a. Include in the clinic and admissions clerks’ job descriptions the responsibility and performance standards for identifying (by asking all non active duty patients at each encounter), documenting, and updating insurance information on all medically insured family members and retirees in the Composite Health Care System (CHCS).
- b. Develop an incentive program to reward employees who effectively perform these functions.
- c. Consider providing all clinics with a percentage of the collections they generate, to include outpatient pharmacies and other ancillary points of service.
- d. Obtain, document, and update insurance information while patients wait for their prescriptions to be filled.
- e. Automate DD Form 2569, Third Party Collection Program-Insurance Information, and use it in conjunction with the “Lost Opportunities Report” in the CHCS. The “Lost Opportunities Report” is a useful management tool that indicates, by clinic, the frequency a clerk, by name, does not ask about or document insurance.

Enclosure